

# FreightCar celebrates milestone

**By Bernie Delinski Staff Writer | Posted: Thursday, July 18, 2013 12:01 am**

BARTON — The yellow 57-foot, 6-inch long flat railcar on display Wednesday was the first FreightCar America assembled at the Barton Riverfront Industrial Park.

For FreightCar and Navistar Corp., as well as Shoals and state leaders, it also stood as a 54,800-pound symbol of progress at the mammoth plant, which has had its share of ups and downs.

“We’ve welcomed you to this plant a few times,” David Bronner, chief executive officer of the Retirement Systems of Alabama, told the crowd who attended a ceremony inside the plant. “We’ve had a tough time but we made it.”

Wednesday’s gathering was a celebration of FreightCar starting production at the Barton plant. Company officials announced in February they were subleasing about 25 percent of the Navistar Corp. plant with plans to build up to 7,000 cars annually.

At the time, company officials said their goal was to begin production in July, and Wednesday they confirmed they met that target.

“This new plant is an important part of our long-term growth strategy as we continue to expand and diversify our railcar product and service offerings outside of our traditional coal car market,” said Joseph McNeely, president and chief operating officer for FreightCar, one of the world’s largest railcar producers. “This operation, with its excellent layout and production equipment, greatly improves our flexibility and competitiveness. I would like to recognize Navistar for their part in making this opportunity possible.”

FreightCar officials have said they plan to have 200 workers on site by the end of the year and 400 by the end of 2014. McNeely said the plant will have 400-500 employees when fully productive, but the time line depends on market conditions.

About 70 FreightCar workers already are at the plant, he said. In addition, Navistar officials said their company has about 180 workers at the plant.

For now, the FreightCar plant is producing three railcars a day, and plans to increase those numbers as employment ramps up, McNeely said.

He said the community is providing a good pool of employee candidates.

“This area has the ability to staff it,” McNeely said. “We’ve been impressed with the workforce here.”

As part of the arrangement that allows FreightCar to use two of the plant’s four assembly lines, the two companies formed a partnership. Navistar will assist in maintenance and production of the railcars.

Navistar leased the nearly mile-long plant from National Alabama in September 2011. The company announced last year it would build a new truck at the facility, but plans have been put on hold, as Navistar facilities in Springfield, Ohio, and Mexico are at sufficient capacity to meet existing demand, company officials said.

The plant in the Barton Riverfront Industrial Park was built in 2007 by Canadian-based National Steel Car. The company struggled financially because of a downturn in the railcar industry, and the Retirement Systems of Alabama stepped in to take over operations at what became known as National Alabama.

Bronner said he continues to have faith in the Shoals and is impressed by the spirit of unity in the area.

“We came to the Shoals because you are you,” he said. “The Shoals is something special.”

He noted the area is broken into four cities and two counties but has learned to describe itself as a community that has four cities and two counties “that now are one.” The comment drew a raucous round of applause from the audience, which was a mixture of plant workers in hard hats and local officials in suits.

One worker, Joe Clark, said he was the “third one in the door” when the plant opened when he was hired March 25.

“This area’s a great place with great people,” said Clark, who runs jigs and fixtures at the facility. “I’ve never seen a railcar facility like this before.”

Bronner said FreightCar is in tremendous hands with company Chief Executive Officer Ed Whalen.

“Ed Whalen runs probably the strictest organization I have ever seen in my many years on Wall Street,” he said.

The RSA chief then threw a barb at the National Alabama leadership without mentioning the company or any individual by name. “You’ve had CEOs disappoint you in the past, but I assure you this CEO will not disappoint you,” he said.

Tuscumbia Mayor Bill Shoemaker spoke on behalf of the Shoals Industrial Development Committee, which is in charge of distributing money from a half-cent sales tax that took effect in 2007. The money is earmarked solely for economic development. Committee members are comprised of local elected officials from the Shoals’ four largest cities and Colbert and Lauderdale County.

The funds were key to National Alabama’s decision to build at Barton.

Shoemaker, chairman of the committee, said the Shoals has learned to lobby as one.

“I can remember when each of us actually was competing against each other,” he said.

He also guaranteed the committee always will be good stewards of the Shoals Economic

Development Fund, which is where the money from the sales tax increase goes. “We promise you we will always spend your tax dollars on creation of new jobs.”

McNeely said the plant and workforce combination made the decision to operate in Barton an easy one.

“It’s purpose-built in an efficient layout,” he said.

FreightCar is responsible for 70 percent of the coal cars produced in the United States, but McNeely said the company is stressing the importance of diversifying its product, and the Barton plant is at the center of that plan.

“We’ll continue coal cars, but this facility will focus on others,” he said.

Bernie Delinski can be reached at 256-740-5739 or [bernie.delinski@TimesDaily.com](mailto:bernie.delinski@TimesDaily.com).

#### FreightCar facts

Formed in Chicago 1901 as the Cambria Steel Co. to build freight cars and mine cars.

Purchased its Danville, Ill., plant in 1995, and Roanoke, Va., facility in 2005. The company has nearly 1,000 employees.

Subleased the Barton plant in February.

Responsible for 70 percent of the coal cars produced in the United States. The company also has introduced 16 new designs and product line extensions during the past five years.

Source: [freightcaramerica.com](http://freightcaramerica.com)